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# The AMERICAN OBSERVER

*If free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. —James Monroe*



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JULY 30, 1934

## France Pushes East Locarno Peace Pact

Arrangement Designed to Prevent Revision of Germany's Eastern Boundary Line

### POWERS ASK ADOPTION OF PLAN

But Germany Is Not Anxious to Freeze Versailles Territorial Set-up

After a decade and a half of repeated attempts to devise a formula by which Europe might keep the peace—most of which have resulted only in miserable and undeniable failure—the capitals of the great powers are again buzzing with diplomatic activity. This time it is not disarmament or the League of Nations or a proposal for an economic union that is commanding the attention of the foreign offices of Europe. It is the proposed Eastern Locarno arrangement, offspring of the fertile brain of Maxim Litvinoff, the Soviet foreign commissar, and adopted child of Louis Barthou, France's most energetic foreign minister since the indefatigable Briand.

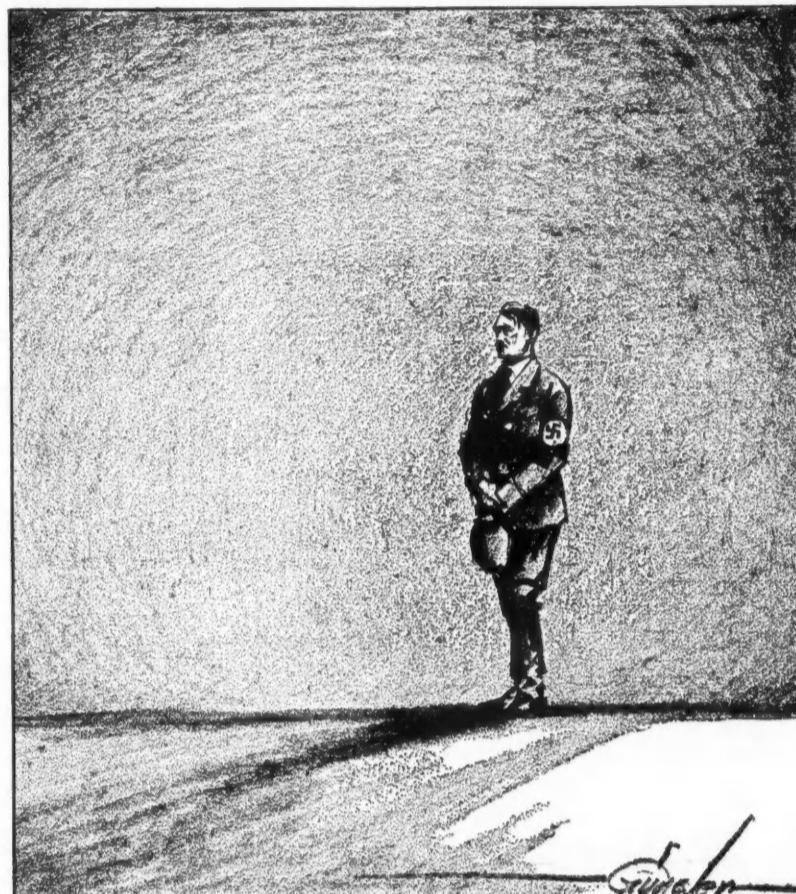
#### Regional Pacts

Full details of the proposed Eastern Locarno security program have not yet been published. No formal treaty or treaties have been drafted. The negotiations have not proceeded to that stage. Only the preliminary discussions and the customary diplomatic "soundings out" have been made. But the general aims and the broad outlines are clearly indicated as a result of M. Barthou's trips to the various capitals of Europe.

The main thing M. Barthou wants is a series of pacts for northeastern Europe. He wants the nations signing the treaties to agree to maintain their present frontiers; that is, to pledge themselves not to go to war in order to effect territorial changes. In addition, he wants each signatory to agree to lend assistance to any other which becomes the victim of aggression or attack. For that reason, the Eastern Locarno pact would be a pact of "mutual assistance." The nations to be drawn into this network of security agreements would, according to the Barthou formula, be Soviet Russia, Germany, Poland, Czechoslovakia and the Baltic states—Estonia, Latvia and Lithuania. It is understood that France would act as a guarantor of the new structure, that she would come to the aid of any of the signatories which might be attacked. There are other features of the program which we shall discuss later, but this is the framework of the entire arrangement.

While the proposed Eastern Locarno is at the moment Louis Barthou's pet scheme, it has nevertheless received the blessing of the British government, bestowed by the foreign secretary, Sir John Simon—privately through instructions to the British ambassadors in Berlin, Warsaw and Rome to elicit support of the pact on the part of the German, Polish and Italian governments; and publicly by outlining and endorsing the program before the British House of Commons. Likewise, Signor Mussolini has lent his moral support to the proposal, expressing an attitude similar to that of the British. It was a foregone conclusion that Soviet Russia

(Concluded on page 6)



—From the Winfield COURIER

"LITTLE MAN, WHAT NOW?"

## The Road to Freedom

Whenever one makes a suggestion looking in the direction of increased governmental regulation of business, or economic planning or social control of any sort, he is likely to meet the argument that such social action would be destructive of personal liberty. The notion is widespread that there is an inescapable antithesis between social responsibility on the one hand, and the free development of individuality on the other.

This notion is justified only in case man's life must necessarily be occupied chiefly in making a living. It is true only if we accept an uncompromisingly materialistic interpretation of personal values. If making money is the only thing that counts, then any action which deprives one of complete freedom in the money quest does cramp the exercise of his liberties. If life is simply a bread-and-butter affair, then personality finds expression in the achievement of material ends.

But such an interpretation of life is mean and sordid. The pursuit of material things is but a part of life. A certain command over the material is a condition necessary for a full development of one's powers, but once necessary minima of food and clothing and shelter are supplied, one may turn to the higher or more distinctively human activities. The trouble with too many of us is that we are not assured that necessary minimum. We live in an insecure society. We have to be thinking nearly all the time about material things, because we are always in danger of falling below the minimum.

If we could establish economic security we would, for the first time, be free to develop our larger possibilities. Perhaps we can gain this greater security by social action; by unemployment insurance, by economic planning, by measures of control over industry. Perhaps by giving up some of our freedom in the realm of industry—by substituting collective action for individual freedom in certain cases—we may build a society in which all who are willing to play the game may be assured economic security.

Then, and not until then, can we gain freedom from too exclusive absorption with money chasing. Then we may become truly free. Then we may become "rugged individuals," in a sense never before possible; individuals of many-sided development, with distinctive personalities, with broadened interests. Only a small fraction of the American people are free today to cultivate personality. The road to freedom for all appears to lie along the way of increasing co-operation and the assumption of increasing social responsibility for economic welfare.

## Municipal Problems Tackled by Citizens

Men and Women Are Forming Councils in Order to Promote Interest in Local Government

### COMMUNITIES ARE IN BAD STATE

Confronted With Huge Debts and Problems of Financing Essential Services

The depression has accelerated a movement which, if it continues to grow, may result in a structure of local government vastly superior to that which has existed in the past. We are referring to the citizens' councils which are springing up in numerous communities throughout the country. They have been formed, or are in the process of formation, in 350 towns and cities. They give evidence of an awakened and functioning citizenship.

The object of these councils is to bring outstanding personalities in a community together in a broadly representative body in order that they may study and promote interest in local and state governmental problems, and that they may explore ways by which education and other essential public services may be supported without the imposition of unbearable burdens upon taxpayers. The councils already in action are studying local governmental machinery and the methods of financing. They are finding that money can be saved by reorganizing their municipal or county governments, or by the elimination of various forms of waste. They are discovering that certain forms of taxation should be revised so as to shift burdens to shoulders better able to bear them. They are finding forms of saving which could be inaugurated in the schools without impairing efficiency. In short, they are considering every aspect of community welfare.

#### Their Technique

Observing these councils in action inspires confidence in the future of democracy. Moreover, it is exceedingly refreshing to witness citizens, who have too long taken their government for granted, gathering together in the old town-meeting fashion for the purpose of studying and discussing the weak links in their government. What is more important, the members of citizens' councils are not stopping at mere study and discussion. They are making house-to-house drives in the attempt to sell their ideas of government reform directly to the voters. And, in most places, they have been able to gain a good hearing in the press. In other words, they are adopting practical political methods, without which they could accomplish little.

This does not mean that the councils are dominated by politicians. Most of them do not permit public officials or candidates for public office to become members. But they do try to gain the co-operation of public officials. They realize that these officials can help them a great deal in their governmental studies, and they assume that officers of government are public-spirited and are interested in encouraging any movement which will enable them to render greater public service at the lowest possible cost to the public. For example, in Minneapolis, last year, the citizens' (Concluded on page 7)

## Notes From the News

### And Still No Rain; Younger Generation to Meet; Ezekiel Speaks; Coast Strikes Quieted; Movie Salaries Grow No Smaller; Al Smith Rejoins Tammany

AND still the withering heat and rainless days continue. The Midwest and Southwest are suffering from the worst drought in their history. Their crop losses already run into hundreds of millions of dollars. In Nebraska alone the crop damage is estimated officially at \$150,000,000. Rivers are drying up and pastures are becoming scorched beyond recognition. And the weather forecast, at the time of this writing, is an indefinite continuation of the blazing, rainless spell. The federal government is making elaborate plans to relieve the farm families in the stricken areas. In the light of the devastating drought, public opinion seems solidly behind President Roosevelt's plans for reforestation and for dealing with erosion which threatens to create a Sahara desert in the Middle West. (see page 8).

#### American Youth Conference

The first American Youth Congress is scheduled to convene at New York University in August, with a threefold purpose: (1) to solve youth's unemployment problem; (2) to discuss the question of education and its relation to work and play; (3) to establish certain definite goals toward which the youth of America can aim. This conference, which will be attended by heads of about seventy youth organizations in the United States, will attract the interest of educators throughout the country. Millions of young people are neither at school nor at work. The longer they are idle the more of a problem they become. So far, the older generation has been unable to solve this problem. Does youth have a plan of its own? The coming conference will tell.

#### Ezekiel's Prophecy

From the farm to the factory lies the way to the "more abundant life," according to Mordecai Ezekiel, economic adviser to the secretary of agriculture. He expressed this viewpoint, which is somewhat opposed to President Roosevelt's, in an address before the Institute of Public Affairs at the University of Virginia.

"Even now we could produce all the farm products we need with sixty per cent of our present farmers," Dr. Ezekiel asserted. But, he continued, we will never be able to satisfy the people's wants for factory goods. It is his opinion, therefore, that every effort should be made to increase purchasing power so that people can buy more goods and factories can operate at greater capacity. After this has been accomplished, he believes that the government should turn to the task of helping 4,000,000 workers unneeded in agriculture to find more productive occupations elsewhere. This is not adopting a defeatist attitude, he contends, but instead it is recognizing the great technological progress that has been made, and the al-

most unlimited potential demand for factory goods as contrasted with the limited demand for agricultural products.

#### West Coast at Peace

Anxiety and tension diminished on the West Coast last week, when the striking longshoremen voted overwhelmingly to accept arbitration of their grievances by President Roosevelt's National Longshoremen's Board. Business was above normal owing to the preceding tie-up of goods and supplies.

The situation in Minneapolis, where truck drivers have been on strike for some time, seemed to be under control following the serious conflict between police and strikers which resulted in scores of wounds and injuries to participants and bystanders.

#### The General Strike

Labor discussions of the week were centered on the desirability of the general or sympathetic strike as a labor weapon. William Green, president of the American Federation of Labor, is drastically opposed to the general strike. He says that the ordinary strike involves only workers and employers of a certain industry. The public, he contends, can be won over to the



REHABILITATION IN SOUTH DAKOTA

Dispossessed farmers are being given an opportunity to work for a living, rather than to depend on charity. Here are ten of the seventy families living on a rehabilitation camp near Yankton, South Dakota.

and bankruptcy, one undertook capital reorganization to meet an indebtedness of \$42,000,000, and one showed a loss of more than \$16,000,000 in 1932. People owning shares of stock in these companies have seen the bottom drop out of their investments.

Sol A. Rosenblatt, NRA division administrator, who directed the investigation, listed the following factors as contributing to the distressed financial conditions of the motion picture industry: "A greatly reduced mass audience for screen entertainment by reason of widespread unemployment; great operating losses, due to undoubtedly overinvestment in large type theatres; cut-throat competition for the services of outstanding screen personalities, resulting in excessive salary ranges, making it difficult to secure economical production." Mr. Rosenblatt recommends the establishment of a board of supervision to foster fair trade practices in this industry. The board, with or without government participation, would be composed of actors, writers, directors and movie technicians.

#### TVA Expands

The National Power and Light Company finally agreed to sell its properties in East Tennessee to the Tennessee Valley Authority. It held out for quite a while, but finally acquiesced when the TVA threatened to build electric transmission lines alongside those owned by the private company. The TVA has announced that its purchase of the East Tennessee Power network will result in \$880,978 savings in the combined annual light and power bills of the twenty-seven towns and communities affected, the largest of which is Knoxville, headquarters of the Valley Authority.

The TVA is being bitterly attacked by those who are opposed

to the government's going directly into the power business. But members of the authority answer these charges by condemning the high rates charged by private electric utility companies. Communities are voting for government power, according to officials of the TVA; it is not being forced on them.

#### Hopkins in Europe

Harry L. Hopkins, under whose direction a minimum of three billion dollars is being spent for relief purposes, is enjoying a "partly business, but mostly pleasure" trip in Europe. He is studying foreign methods of administering relief; also unemployment insurance. He is convinced that this type of insurance is needed, not only to relieve suffering caused by unemployment but also to maintain purchasing power at the beginning of a depression.

#### Motion Picture Industry

A recent NRA study revealed that the motion picture industry paid 110 persons larger salaries in 1933 than that received by President Roosevelt. An unnamed actor received the peak yearly pay check—\$315,000. The second highest salary was \$296,250, paid to an "artist" who worked only part time. These enormous salaries were handed out in spite of the fact that the motion picture industry as a whole showed a loss of nearly \$20,000,000 for the year. Of the five largest companies making films, one is in bankruptcy, one is operating in receivership



ANOTHER STRIKE CALLED OFF

—Talbert in Washington News

expects to have Mr. Smith back permanently, it will have to take his reform theories as well, and it must support the fight he and Governor Lehman, along with Samuel Seabury, are making for revision of the outworn machinery of municipal and county government. Dooling seems willing to do this in order to get Smith back in the inner councils of Tammany Hall.

There is considerable speculation as to the future relationship between Smith and the Roosevelt administration. Dooling was Farley's candidate to head Tammany. The question naturally arises as to whether Smith will be on better terms with the administration in the future.

#### American Homes

The Department of Commerce has published the findings of an inspection tour made by its agents of nearly two million houses in 60 cities. It finds that nearly 16 per cent of these dwellings are crowded "or worse;" that 16.6 per cent are badly in need of structural repairs; that 44.7 per cent need minor repairs, and that 2.34 per cent are "unfit for human habitation." In addition, it finds that 10.2 per cent are without running water, while 25.5 per cent have no tubs or showers. Once again the vital need of a nation-wide housing program is brought home.

#### False Radio Advertising

Twelve radio advertisers have been requested to appear before the Federal Trade Commission to show cause why formal complaints should not be issued against them for making false and misleading claims regarding their products. This is the beginning of a sweeping cleanup drive to rid the country of false radio advertising. Each broadcasting company is compelled to furnish weekly copies to the Federal Trade Commission of programs carrying advertising. Under a recent order, false advertising constitutes an unfair trade practice. E. J. Adams, chief of the special investigation board of the FTC, declares that the same "truth in advertising requirements" applied to newspapers and other publications for several years will be invoked in radio.

#### Who Is Governor?

The state of North Dakota has been in turmoil for the last ten days over the battle for the governorship between William H. Langer and Ole H. Olson. Mr. Langer was governor until his recent conviction on charges of collecting political funds from federal employees in the state. The state Supreme Court declared his term of office to be at an end.

Olson, who had been lieutenant governor, succeeded Langer, but the latter is putting up a strong fight to regain the office, or at least to have Olson deposed. Langer has been attempting to get a majority of the state legislature to sit in a special session at Bismarck. He is convinced that most of them favor his side of the story, and will vote to impeach Olson. Because of the legal tangles involved, it is by no means certain that any act of the legislature now would be binding, even if Langer succeeds in getting a quorum in the state senate. Meanwhile Olson is going ahead with the governor's duties, and the state's farmers have politics to talk about, as well as the drought.



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MORDECIA EZEKIEL  
Economic adviser to the secretary of agriculture.

# AROUND THE WORLD

**Austria:** Terrorism continues in spite of a decree issued by Chancellor Dollfuss invoking the death penalty for all persons found with explosives in their possession. Several men have been court-martialed, and a few death sentences have been imposed thus far. The Austrian Nazis have threatened to retaliate against the government by kidnapping Catholic priests in case any of their members become the victims of the capital punishment decree. It is reported that the Vienna government is contemplating further action to put an end to Nazi activities, which, it holds, are still inspired from Berlin. It will seek the intervention of the great powers, requesting them to exert pressure upon the German government to cease its propagandistic and terroristic activities in Austria.

\* \* \*

**Italy:** The Austrian problem still holds the attention of the Fascists, and there are indications that Rome is none too pleased with the way Hitler is carrying out his pledge, made to Mussolini at the time of the Venice conversations, to respect the independence of Austria. The Italians feel that much of the terrorism in Austria is directed from Nazi headquarters in Germany and that Hitler should take decisive action to put an end to it. Officially, the Italian government has made no representations to the Germans on this subject, but there is no doubt that it is highly displeased.

\* \* \*

**Bolivia:** The Chaco war, still raging after two years, seems to be getting neither Paraguay nor Bolivia anywhere. At the moment, Paraguay seems to have gained the upper hand, as the Bolivians have suffered heavy losses. But she has not yet won a smashing victory, and it is doubtful that she can smash the Bolivians before the rainy season begins in October. Reports from the Chaco region indicate that both countries would be willing to end the whole mess if a satisfactory peace settlement could be devised. Unfortunately, petty jealousies among the South American powers which have been attempting to bring the belligerents to terms have prevented constructive action on that front. The peace-makers cannot agree on a leader and the whole affair has reached an *impasse*. All of which has led to a demand that Secretary Hull be drafted as principal mediator in the dispute—a proposition which Mr. Hull appears none too anxious to accept.

\* \* \*

**Cuba:** The Mendieta government has averted another political crisis by acceding to the demands of the Liberal Republicans, who threatened to withdraw their support. Their principal demand was that the government invite all political elements, including those which have recently clashed with Mendieta and his cabinet, to join hands in formulating a comprehensive program for the island republic. Moreover, the Liberal Republicans demanded that the cabinet be reconstructed so as to include leaders of all parties in whom the public will have confidence.

While these efforts were being made in Havana to iron out our political difficulties, commercial relations between the United States and Cuba came to the fore in Washington. The first reciprocal tariff treaty to be brought up for hearings under the tariff act passed by the last session of Congress was one with Cuba. The hearings opened July 23. As had been widely forecast, there was a howl against lowering the import duties on a number of Cuban products which compete with American products. Protests against the contem-

plated tariff reduction were lodged by Florida fruit growers and by various tobacco interests. It is apparent that, if the new tariff program is to be put into very extensive operation, many toes, some of them powerful, will be stepped on with considerable force.

\* \* \*

**Germany:** If the economic situation continues to grow worse, Adolf Hitler may be obliged to make good his declaration to the Reichstag that Germany could get along without imports. That the boycott

menacing food shortage. Up to now, the government has succeeded in preventing price increases by means of iron-clad regulations and by putting on the market an inferior quality of product.

On the political front, everything is not as rosy as it might be. As an aftermath of the Roehm episode of June 30, the government has still some cleaning up to do before it will have disposed of all the disloyal elements. The concentration camps, especially Dachau outside of Munich, are said to be filled with Storm Troopers who were followers of Roehm and the other

It appears from this decision, as well as from recent British announcements that they will seek to increase their naval strength at the 1935 conference, that Great Britain has accepted literally the French thesis of "security before disarmament." Another indication that this is the latest British attitude is gathered from Britain's support of the French plan for an Eastern Locarno agreement. With Germany's flagrant violations of the armaments provisions of the Versailles Treaty, the British feel that they have ample reason to be alarmed, and they have no intention of being caught unprepared.

\* \* \*

**Brazil:** Getulio Vargas, who has been president of the provisional government during the last four years, became constitutional president of Brazil on July 20, and the new constitution was put into operation. The assembly which had enacted the constitution became the first Chamber of Deputies under the new system. Brazil is to have a two-chamber system, but the house of deputies will perform the functions of the Senate as well until the upper house can be elected.

\* \* \*

**Belgium:** A crisis government, to rule by decree during the next six months, is expected to take charge of the economic and financial life of Belgium. The cabinet has already been given power to assume broad control by the Belgian Chamber of Deputies, and it is expected that the Senate will concur. According to the arrangements, the cabinet is required to report to parliament at the end of the six-month period on the success it has had in combating the economic depression.

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**France:** "The appeal of the president of the Council has been heard and the National Union Ministry continues." These were the words uttered by the French minister of the interior, Albert Sarraut, at the close of one of the most important cabinet meetings in recent months, and they indicated that the political crisis, which has threatened to disrupt the cabinet and throw the country into a state of confusion, had been successfully forestalled. It was due largely to the efforts of Gaston Doumergue that peace was restored and a definite period of political stability guaranteed.

The clash in the French cabinet arose some time ago when an ex-premier, André Tardieu, now a member of the Doumergue government, resurrected the famous Stavisky scandal, which caused such an upheaval in French politics several months ago, and threw it in the face of another ex-premier, Camille Chautemps, also a member of the cabinet. Tardieu accused Chautemps of being more directly involved in the scandal than had originally been thought. The Radical Socialists, Chautemps' party, the largest group in the Chamber of Deputies, took the accusation as a personal affront and threatened to withdraw their support from the government and to resign their posts in the cabinet. The political truce would have thus been broken.

It was in order to reconcile the warring elements that Premier Doumergue rushed back to Paris from the south of France, where he had been vacationing. The premier rebuked Tardieu for his unfortunate act, at the same time persuading him to remain in the cabinet, and pacified the irate Radical Socialists. All elements have agreed to abide by the terms of the political truce for several months. In October the Radical Socialists will hold a congress at which their future attitude will be determined.



A SCENE FROM THE CHACO WAR FRONT  
Two Bolivian tanks destroyed by Paraguayan soldiers at Fort Nanawa, as the two South American nations struggled on in their futile conflict.

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PARIS—A PARADE, A BONFIRE, AND GENDARMES  
The red flag which a Communist driver had attached to his taxicab was seized and burned by marchers in a recent parade. A platoon of gendarmes arrived in time to restore order.

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the critical economic situation. All this is due to the simple fact that Germany does not have the money with which to import raw materials. Her gold reserve has continued to decline, and she has not sold enough goods abroad to pay for the necessary imports.

To make matters worse, the drought has seriously affected agricultural production this summer. It is estimated that the harvest will be about a fourth smaller this year than it was last. Thus, along with the shortage of raw materials, there is a

British government to build 460 new bombing planes by 1939. This air armament program, which is to begin immediately, will involve the expenditure of £20,000,000. Such a move had been anticipated for some time, for it has been well known that the British were somewhat uneasy as a result of Germany's rapidly increasing air fleet. The government has insisted for several months that the British should have an air force equal to that of any other nation capable of attacking them.

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## What About Our Prisons?

The following editorial, appearing recently in the Emporia *Gazette*, attacks one of the most controversial and yet vital of American social problems—that of prison reform:

The temperature within the walls of the Missouri State Penitentiary at Jefferson City this summer has been as high as 120 degrees according to press dispatches. Even in the warden's office, the mercury has gone to 111 degrees.

The warden's office was made for only one warden and he has work to do. His suffering probably isn't so great. But take a look at the cell blocks.

In one cell house, seven to ten men are crowded into quarters originally made for four to six men. On top of that, most of the prison factories are closed because of the lack of market for prison-made goods. The men are kept locked in these crowded quarters all day long with nothing to do, except discuss the weather, plan prison breaks or discuss possibilities of organizing rackets of pulling jobs when they get out.

Prisons should not be model homes and the men who are sent there should not be considered heroes. However, prisoners are human beings and they should be treated as such. They should be supplied with something to do and their quarters should not be so crowded as to be unhealthy.

The Missouri prison is no worse than many others. It happens it is the one which broke into the press dispatches. This whole country needs to awaken to the fact that its prison system is out of date. Prison life should not be a pink tea party, but neither should it be a living hell.

Idle minds, as well as hands, must find something to do.

## Understanding the Longshoremen

While the general strike in San Francisco has been settled, it is nevertheless interesting to look into the work of the longshoremen's labor organizations, since their activities during the last two and a half months have been the subject of such extensive public attention. This article by Professor Malcolm Keir of Dartmouth College is an excellent exposition of the role of the longshoremen in the recent labor disputes. We quote it from the *Christian Science Monitor*:

Real understanding of the strikes that have swept through several American ports depends upon knowledge of the details of the longshoremen's jobs. Of course everyone is aware that longshoremen shift freight out of, and into, ships' holds; but this generalization omits several vital details that determine longshoremen's lives.

When a ship ties to a pier, longshoremen at once swarm into her cargo, because every hour a ship lies in port is costly to her owners. The ship is a transporter, so when idle is subjected to high overhead charges—interest on capital invested, insurance, fuel burned for heat, light and power, officers' salaries, and the like—which are not offset by earnings during the idleness. In addition, special fees for harbor services, wharf rent and other port charges increase the costs of standing still. Consequently everyone, including the longshoremen, is pushed to uttermost effort to clear and load the ship with the greatest dispatch. This rush aspect applies equally to the humblest

sea-battered "tramp" freighter and the proudest liner. When the ship is in, then, the longshoremen work at top speed for long hours.

The short, intense activity is followed by days or weeks of unoccupied waiting for the next ship to berth, the longshoremen remaining at the waterfront in readiness for that uncertain event. To fill the vacant hours longshoremen have the vicious attractions often offered in such areas, or if their brawny bodies call for action they can and do find it in brawls. Some just idle the hours away. Irregular work is a curse of the longshoreman's job.

As a rule the owners or lessees of each pier or set of piers have a work force limited to the owner's premises; the number of longshoremen thus attached nearly always is large enough to take care of the maximum needs of ships there berthed. Therefore, many men are idle even when ships are in port, if the number of ships is less than the maximum capacity of the pier. All of the unemployment between the arrivals of ships and when the pier is active, but below its full capacity, is at the expense of the longshoremen, for they are paid only for the hours they actually work. Hence the struggle between longshoremen for jobs is a fight for existence even in normal times, and is acute during slack maritime trade. If the assignment of work at all times is not fairly distributed, starvation confronts the unselected longshoreman and his family.

For efficiency in rounding up a gang when a ship docks, the longshoremen attached to a particular pier customarily have a common meeting place which they frequent or with which they keep in touch. Control of this "hiring hall" is the crux of the longshoremen's problems. In the hands of the pier owners or lessees, gross abuses have been too common, and if the union controls, its officers can misuse their power as job brokers, just as some building trades agents under similar circumstances unscrupulously have fleeced both workers and

bosses.

Steps toward the solution of the longshoremen's problems have been found in some ports by two devices.

First, all the men in the port have been put in one body, instead of having a separate gang for each pier. Since the maximum force needed for the whole port is less than that for each pier—because the peak loads of individual piers come at different times—a smaller total group can supply all the work of the port, while at the same time giving assurance to the longshoreman of steadier work.

Second, the "hiring halls" can be placed under public authority. When neither of two interested parties can be trusted always to be fair, then an outside disinterested power may be used to preserve balance. This latter suggestion presupposes an honest city administration, stern alike against the money power of pier owners and the political power of united longshoremen.

In ports where neither of these devices prevails the longshoremen generally are exploited casual laborers, constituting an economic maladjustment and, as such, a social menace.

## How Much Will a New Pact Help?

Commenting upon the proposed Eastern Locarno pact, *The New Republic* fails to agree with those optimists who believe that, even should the treaty be concluded, it will be conducive to European peace. It will not have solved the basic problems confronting Europe, says the writer, and there is no reason to believe that it will be any more successful than previous attempts to ward off the war clouds hovering over Europe. The pertinent paragraphs of the comment follow:

If . . . the new pact comes into effect, will it have any genuine meaning? Will it dispel the war clouds which now hang so heavily over the whole continent? With no desire to be pessimistic, we do not feel that it will. Such compacts as the French propose settle none of the fundamental conflicts that have brought about the European tension. They solve no economic problems. They freeze the injustices inherent in the Versailles Treaty and the other documents of 1919. Perhaps the outstanding lessons to be learned from the last twenty years of European history are that nothing is settled until it is settled right, and that peace protestations are perfectly worthless on the lips of men pursuing objectives for which they are willing to fight. If Europe really wants to keep the peace, she has all the documents she needs in the League Covenant, Locarno and the Kellogg-Briand pact. If she does not, another series of agreements does not matter.

Finally, it must be remembered that what the French propose is in essence security without disarmament. Any nation that signed the new compact could argue that it needs a strong army in order to fulfill its obligations against an aggressive power. There is not much genuine difference between this attitude and that of the militarist who says that only in preparedness is there a guarantee of peace, overlooking the fact that throughout all history preparedness has ended in war. To be sure, the French plan would be no worse than the present international anarchy, which seems to be leading so inevitably toward new conflict; but before it could mean substantial improvement, it would have to be carried out by governments totally different in purpose, by statesmen utterly unlike those of today.

## Another Step Toward Peace

The St. Louis *Post-Dispatch* sees in the government's decision to withdraw all American marines from Haiti next month an important contribution to peace in the western hemisphere. Reviewing the history of American intervention in Haiti during the last nineteen years, the *Post-Dispatch* declares:

The last American marine is scheduled to leave Haiti by August 10, and thus will end our nineteen-year military occupation of a republic that had been independent for 111 years before American dollar diplomacy stepped in. Equally important will be the ending of economic dictatorship, for bankers and bondholders' agents are due to leave simultaneously with the marines, or soon after. It is a credit to the new Caribbean policy of President Roosevelt and Secretary Hull that this sore spot in Pan-American relations is to be healed, and at a date earlier than required by recent treaties between the nations.

It is a disgraceful record that Americans have to look back upon as their armed forces leave Haiti. Not because American lives or property were in danger, but to protect American



HERE'S A BUSY INDUSTRY

—Kuhn in Indianapolis News

bankers' control, was this intervention undertaken. Representative government was ended in Haiti until late in the occupation. Our forces dictated the election of two presidents favorable to this country's interests, and forced adoption of a Constitution and ratification of favorable treaties by the insular Congress. On one occasion, troops disbanded a meeting of the Congress.

The marines did bring many improvements to the island, but their road-building campaign was by forced labor that amounted to virtual slavery. When the natives rebelled against this, between 2,000 and 3,000 of them, including women and children, were killed. Revenue sources were taken under control, public buildings were seized, funds belonging to the Haitian government were confiscated. The form of government was "dictatorship by collusion," said the American financial adviser, Arthur C. Millsbaugh.

Since the Forbes Commission was sent to Haiti by President Hoover in 1930, recommendations for a milder course have been constant. Events have moved more rapidly toward evacuation, under Mr. Roosevelt's enlightened policy, than the most optimistic would have dared predict.

The "white man's burden" is no longer to weigh down the conscience and the Treasury of America. Our "manifest destiny" is no longer the dominance of other peoples. We have retired from Nicaragua, voted freedom to the Philippines and cut our strings on Cuba. All these steps, and the impending evacuation of Haiti, are major contributions to peace and conciliation with neighboring nations.

## Party Government Changes

In one of his daily comments which appear in the New York *World-Telegram*, Dr. Harry Elmer Barnes points out an absurdity in American politics. The New Deal, says Mr. Barnes, is not a product of the Democratic party as a political organization. Men wearing the Republican label are more responsible for certain features of it than many Democrats who pride themselves on their party regularity. Mr. Barnes believes that there should be a definite realignment of parties, the new grouping to be along conservative and liberal lines rather than those now obtaining. Excerpts of his statement follow:

If we wish to retain the American system of government, it may be necessary to stick to representative institutions, and representative government means party government. But it is time to secure some party alignment which bears at least a slight relationship to the economic, social and political realities today.

The real issue before the American people this fall in a congressional election is support or disapproval of the New Deal. All else is irrelevant and incidental. Under the present set-up, Mr. Roosevelt must inevitably appeal to Democrats to support him and the New Deal. He will have to imply that a Democratic victory means vindication of the New Deal, thus seemingly identifying the Democratic party and the New Deal.

The absurdity and illogicality of any such identification is obvious to anybody but the most simple-minded partisan.

Certainly the Democratic party, as such, is not responsible for the New Deal. If Democratic leaders could have foreseen the character of the New Deal in 1932, they certainly would have rejected Mr. Roosevelt at Chicago or defeated him in the campaign.

The Democratic Congress swallowed the New Deal only because it was formally committed to it as a result of Mr. Roosevelt's campaign speeches and his sweeping victory at the polls.

It is obvious that reactionary Democrats have no stomach whatever for the New Deal. It is far more repulsive and alarming to them than the Bourbonistic somnolence of the Hoover administration. . . .

The differences between the two parties have been relatively slight since reconstruction days. Even the two topics on which they have seemed to be most divided—the tariff and the currency—have never been clean-cut issues as between the parties. There have been plenty of high-tariff and hard-money Democrats as well as numerous Republican free traders and silverites.

If the controversy over the New Deal could help to break up this absurd heritage from an ancient past and give some logic to the American party system, it would render an incomparable service to American politics.



THE WAY IT ALWAYS ENDS

—Marcus in New York Times

## WITH AUTHORS AND EDITORS

We read old books for their excellence, but new ones to share in the mental life of our time.—SATURDAY REVIEW OF LITERATURE.

### The Power Behind Hitler

"Hitler Over Europe," by Ernst Henri. New York: Simon and Schuster. \$1.90.

**N**OT Hitler, but Fritz Thyssen, the coal and steel baron of the Ruhr, is the real ruler of Germany, according to Mr. Henri, whose writings on the Nazi régime have attracted widespread attention during recent months on account of their sensational nature. Henri paints a terrific picture of the Third Reich—a picture far more horrible than most people could have imagined. If his statement is true, and recent events would seem to indicate that he knows what he is talking about, Hitler is merely a tool in the hands of the capitalists, a traitor to the middle and working classes, and perpetrator of one of the most dastardly frauds in the history of mankind.

Henri tells us that there are five main groupings in the National Socialist party: the apex of the party—the triumvirate composed of Hitler, Goering and Goebbels; the black-shirted special guard or secret police—the SS it is called; the Storm Troopers—the SA; the reactionary capitalist group, led by Thyssen; and a radical middle class group. That it would be impossible to reconcile the conflicting aims and aspirations of these five groups is obvious. If there was any doubt as to which group was the real master, the bloody purging of June 30 has removed that doubt. Thyssen dictates; Hitler obeys.

Perhaps never before in history have the working and lower middle classes been crushed with such speed and ruthlessness as in Nazi Germany. Ernst Henri devotes considerable space to his indictment of the government on this score, and bolsters his case with an abundance of statistics. Likewise, he outlines fully the plans, mostly secret, which the Nazis hope to execute on the international front. His conclusion is that only one of two courses is possible: war or civil war.

The most powerful force lined up against Hitlerism today is, according to Mr. Henri, the Communist organization of Germany. The Communists as a party, it is true, have been routed by the Nazis and have been driven underground. But their organization has not been completely disrupted. The so-called "groups of five" are to be found in nearly every factory and industrial plant of Germany, and they are making their influence felt. In addition, Communists are to be found in the ranks of the organized Hitler forces, biding their time and doing what they can to bore from within. Just how important a factor German Communism will be in future developments, no one has a way of ascertaining. If what Mr. Henri says is true, it has not accepted as final the Third Reich of the

Nazis. It will be interesting to follow the activities of the Communists during the coming winter when, unless all predictions fail, the lot of the working class will become almost unbearable.

It is not pleasant to read what Henri writes about the New Germany, but we feel that his book should be examined by thinking people everywhere. Because Henri has been so right in the past, his views cannot be discarded as mere sensationalism and nonsense. The world has not yet read the last chapter in the history of the Third Reich, and a grasp of the contentions set forth by Mr. Henri should enable one better to penetrate beneath the surface of forthcoming developments.

### Miss Wylie on Germany

"To the Vanquished," by I. A. R. Wylie. New York: Doubleday, Doran. \$2.50.

**I**T TAKES a strong stomach to read Miss Wylie's novel of contemporary Germany, for the author spares no lurid details in telling of the atrocities committed in the Reich during those months, immediately preceding and following the advent of Hitler, in which the story takes place. But somehow Miss Wylie seems to lack the sting and poignancy of such writers as Feuchtwanger and Fallada who have used the modern German scene as a basis for their works of fiction. Her novel doesn't quite ring true.

The plot itself is simple enough. It is the story of love between Franzle Roth, daughter of a German liberal, and Wolf von Selteneck, a Storm Trooper, who has succumbed to all the hysteria of the Nazi movement. If Miss Wylie had concentrated more attention upon the development of this story and upon a deeper analysis of her characters and less upon political events, the result would have been a better piece of fiction. But she insists upon parading before the reader the military demonstrations and pogroms until they become slightly monotonous.

Moreover, Miss Wylie lacks a certain amount of realism in handling the subject. In order not to leave too bad a taste in the mouths of her readers—or perhaps it is to state her faith in the strength and integrity and sanity of the German youth—she injects a goodly dose of the melodramatic. One would expect to find in the movies such a happy ending as Wolf's treason to the Nazi cause and his miraculous escape to France with his sweetheart, but in a book which purports to portray conditions realistically, it is somewhat of a let-down. All of which does not mean that the book is dull or uninteresting. It isn't, but it should not be classed as first-rate literature.

### Conquistadores

"Maria Paluna," by Blair Niles. New York: Longmans, Green and Company. \$2.50.

**I**N MARIA PALUNA, Mrs. Niles has done more than to create a lovable and enduring character of fiction. She has made this sixteenth-century Guatemalan maiden symbolic of the opposing qualities of the Indian and Spanish cultures, which were bound to manifest themselves following the conquest of Cortez. Her name itself is a symbol of this fusion—the Christian "Maria" being affixed to the child's Quiché name "Paluna" at the time of her baptism by Padre Vicente. The Spanish strain is maintained through Clara, daughter of Maria Paluna and Leon de Gonzales, Spanish nobleman and member of the Cortez expedition, who is killed before the story progresses very far. The Quiché, or Indian, tradition flows on through Paluna's children by the Indian, Rumal.

"Maria Paluna" is a beautiful story, beautifully told. As a historical novel it ranks high among recent efforts in that field. Mrs. Niles has put an enormous amount of research into her story. Not only is she sure of her historical data, but she has succeeded in recapturing the mood of the sixteenth century and in comprehending the philosophies of the time which so directly affected the lives of the people. Into this background, Mrs. Niles' story blends admirably, leaving with the reader a fuller and richer appreciation of the century of the Spanish conquest.

### Black Magic

"The Invisible Influence," by Alexander Cannon. New York: Dutton. \$1.50.

**S**O FANTASTIC are the experiences recorded in these pages that to the average American, skeptical as he is, they appear incredible and the products of a fertile imagination. Yet, it is known that the oriental mind differs widely from the occidental, and that, if we are to believe the testimony of eyewitnesses, certain phenomena, which transcend the laws of Nature, do occur in the Far East. Dr. Cannon's book tells of such happenings in Tibet. Telepathy, black magic, suspension of the laws of gravity—these and countless other experiences are recounted by the British scientist in his most interesting book. Whether one is capable of believing such things, it is undeniable that Dr. Cannon's



BLAIR NILES

book enables one better to understand the mysticism and the domination of mind over matter in the general philosophy of the strange people of that section of Asia of which he writes.

### Growth of a Gunman

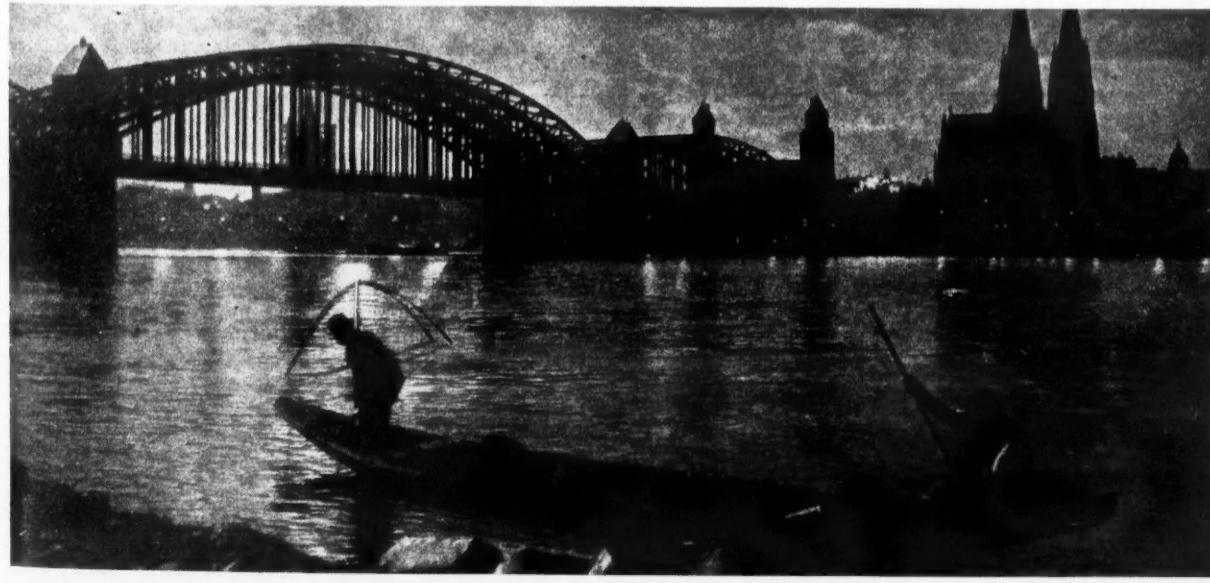
"Brain Guy," by Benjamin Appel. New York: Knopf. \$2.50.

**R**ECENTLY there has been a new trend toward extremely hard-boiled fiction. The tremendous success of "Anthony Adverse" and the publication of several similar romances indicated for a time that the "rough, tough, and gruesome" school of writers might lose their popularity. Then came "The Thin Man" and "The Postman Always Rings Twice" to disprove the idea entirely.

The publisher of "Brain Guy" claims it is tougher than either Hammett's detective story or James Cain's swift-moving tale of wanton murder. Probably each reader will want to decide that fine point for himself, but certainly Benjamin Appel has not pulled any punches in describing the evolution of a gangster on Manhattan's lower west side. Bill Trent, "the brain guy," has a college education, but it does not serve him as well in the midst of depression as does the gradual education he picks up in the city's "joints." After learning how to chisel extra money for himself as a rent collector, he learns also how to rob and murder, after losing the real estate job. The story grows more mean and cruel as it goes on, and Appel's writing develops pace toward its end, when he concentrates on the action rather than upon Bill's mind.

However, the book was undoubtedly written to make the criminal development of that mind understandable. And the purpose is accomplished in unmistakable fashion, even when the pace of the tale is slowed and sidetracked occasionally. This book is strong meat; those who read it must be prepared for a few shocks.

**Lewis Gannett**, who conducts a daily book column in the New York *Herald-Tribune*, evidently decided he could do as well as many of the writers whose work he has been judging for several years. At least he has produced an interesting little volume entitled "Sweet Land," which describes an automobile trip through the West which he, his wife, and his fourteen-year-old son, Michael, made last summer. They camped out, talked with Indians of several tribes, enjoyed the desert land, and made the trip a voyage of discovery rather than a commonplace tour. As a result, the book has already won generous and well-deserved praise from other reviewers.



COLOGNE—PICTURING THE TRADITIONAL BEAUTY OF THE RHINE

# The Locarno for Eastern Europe

(Concluded from page 1, column 1)

would use her diplomacy to insure the adoption of the program, as she has long favored such an arrangement in eastern Europe, and her ambassadors are now working hand in hand with the French, British and Italian.

The idea underlying this latest effort to guarantee European peace is much the

tions in western Europe, it did not cement in such a tangible way the eastern frontiers of Germany fixed at the Paris peace conference. True, the French did everything in their power to do just that. They wanted to secure for eastern Europe an agreement similar to the Rhineland pact. But Germany was unwilling to commit herself to the permanence of that boundary. She had never accepted as final her territorial status in the east. Stresemann, then German foreign minister, was frank to admit that Germany hoped some day, by peaceful means, to be sure, to regain some of the territory she had lost in the east. Moreover, the French could not in 1925 win the support of the British for any such arrangement in eastern Europe. While the British did not object to anything the others might do in that region, they themselves were unwilling to pledge military aid to guarantee the permanence of that frontier. At Locarno, however, Germany did sign arbitration treaties with her eastern neighbors—Poland and Czechoslovakia.

## The Eastern Frontier

It cannot be denied that Locarno became a magic word in Europe. There was born following the conclave on the shores of Lake Maggiore a new spirit, heralded as the "Spirit of Locarno." Germany was brought into the fold of the League of Nations. French soldiers evacuated the Ruhr. There developed in the relations between France and Germany a greater degree of co-operation than had seemed possible a few months earlier. Whatever else may be said of Locarno, it did give Europe a breathing spell, perhaps the only one she has had since the war.

But it did not satisfy the French. They were still haunted by the possibility of German activities in the east. They could not think of disarming, they said, so long as there was not security in the east. "Security before disarmament" became their watchword at every international parley, and they would not yield an inch before the pleas of other nations. Since they could not get a Locarno pact for the east, they could at least strengthen their alliances with Germany's eastern neighbors in an attempt to prevent the realization of German dreams of expansion. And that they did.

The Eastern Locarno would go a long way in giving to France the security she has been demanding all these years, or at least the French seem to believe it would. What it would amount to in fact would be the further freezing of the present boundaries of Europe. Germany could not

hope to change her eastern frontier by the use of armed force without having to contend with the combined armies of Soviet Russia, France and the other signatories of the proposed pact. That the rest of Europe would be willing to alter the present territorial arrangement by peaceful means is ridiculous. It is clear, therefore, that the whole scheme is another attempt on the part of French diplomacy permanently to nail the Versailles structure on the back of Germany.

## The German Position

Naturally, the success or failure of the whole plan will depend upon the ability of France and her supporters to win the approval of Hitler's government. Without German participation, the program cannot be adopted, for both Great Britain and Italy have insisted that the Germans be included on a basis of equality. And, needless to say, the Eastern Locarno is decidedly disadvantageous to the Reich. No German government since the war—the Nazis least of all—has been willing to give up the hope of expansion to the east. To sign such a pact now would constitute a renunciation of everything to which the Germans have aspired during the last fifteen years.

But the Germans are confronted by a situation which is extremely awkward, to say the least. They cannot simply say that they will have nothing to do with the Eastern Locarno. That would very likely have serious repercussions in the international field. It would probably solidify and tighten the diplomatic encirclement which, even today, surrounds the Reich. It might cause a revival of the Triple Entente of Russia, France and England, which so vitally affected the European picture twenty years ago. If it did not go that far, it would certainly throw France and Russia and England more firmly into the arms of each other than they are now.

On the other hand, what will Hitler tell the German people if he accepts the Eastern Locarno? He was swept into office on the wings of a "down with Versailles" platform and promises of eastward expansion. His vitriolic denunciation of everything connected with the post-war settlement has been no small factor in keeping the people's enthusiasm keyed to a high pitch. With conditions on the domestic front—both economic and political—far from satisfactory, can Hitler afford to run the risk of stirring up a hornet's nest by acceding to French demands? His choice between these alternatives will not be an easy one, and will require all the

skill that the Nazi leader can command.

To be sure, Hitler has brought this present dilemma upon himself. Had he been more tactful and skillful in handling Germany's foreign relations, he would not have built such an iron wall of opposition around the Reich. Certainly, M. Barthou would never have been able to bring Great



© Wide World  
LOUIS BARTHOU

same as that which prompted the first Locarno pact, concluded nearly nine years ago, October 16, 1925. In fact, the proposed Eastern Locarno follows very closely the treaties drawn up at that time. Moreover, as will be seen later, there is an attempt to link the two in such a way as to make the new security pact a part of a broader structure embracing practically the whole of Europe.

## Original Locarno Pact

The object of the original Locarno agreement was to insure peace in western Europe by guaranteeing the western boundary of Germany, the Franco-German dividing line fixed by the Treaty of Versailles. The initiative came at that time from the German government, which offered to enter into a pact with the allies, pledging itself never to attempt to change that boundary. At that time, Germany was willing to renounce permanently Alsace-Lorraine, which was transferred from German to French sovereignty at the close of the war.

Although spoken of as the Locarno pact, the arrangement worked out in 1925 consisted of seven treaties. The most important of these, however, was the so-called Rhineland pact, or "treaty of mutual guarantee between Germany, Belgium, France, Great Britain and Italy." Each of the signatories agreed individually and collectively to guarantee the existing frontier between Germany and France and between Germany and Belgium. Thus Italy and Great Britain became guarantors of the territorial set-up in western Europe. In case France should become the victim of German aggression, Great Britain and Italy bound themselves to come to her rescue with military assistance. Contrariwise, if Germany should be attacked by France, they were pledged to lend her military aid. These commitments still hold good, and it is fairly certain that any dispute on the western front would involve practically all the nations of Europe, since those which did not bind themselves at Locarno are tied to others through defensive alliances.

Satisfactory as this arrangement was in stabilizing condi-



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MAXIM LITVINOFF

Britain and Italy into the French camp. But Hitler himself has held the threat of German aggression constantly over the heads of the other European nations, so that they have made a counter-move in order to nip his plans in the bud.

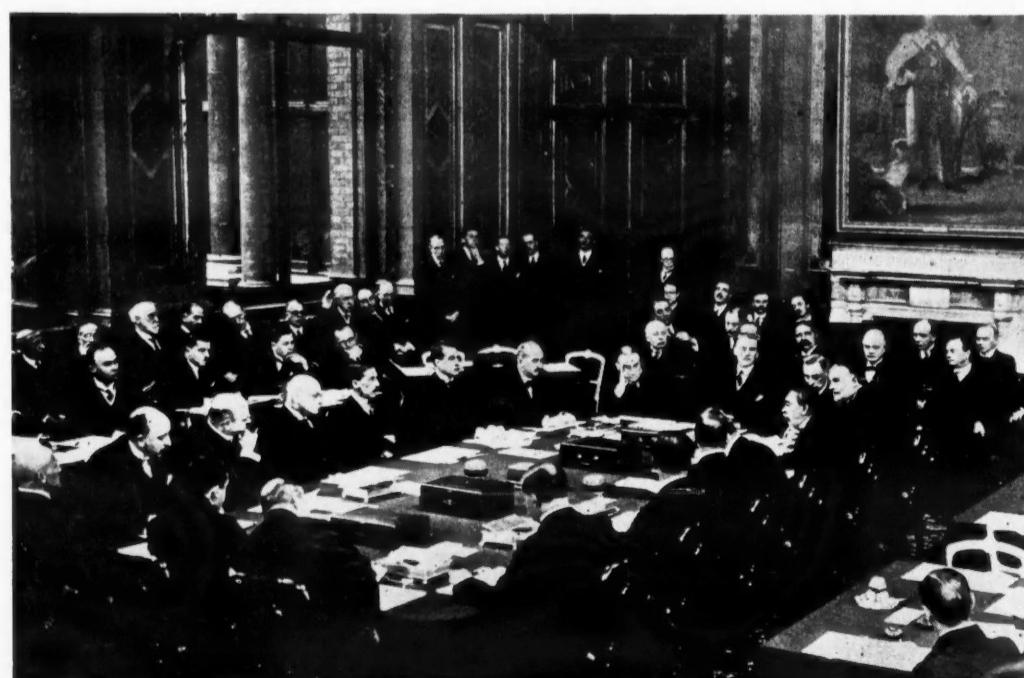
## Other Proposals

In their present plans for the stabilization of the status quo in Europe, the French would go farther than to build up the Eastern Locarno edifice. Part of their program is to link the new arrangement with the original Locarno pact by having Soviet Russia become a party to that agreement. It is the French idea to have the Russians become co-guarantors, along with Great Britain and Italy, of the Franco-German and Belgo-German frontiers. They would also have Russia join the League of Nations and Germany revoke its decision to withdraw from that body in order to bring the whole plan under the direction of the League.

A third feature of the French security scheme is the proposal for a Locarno set-up for southeastern Europe designed to make permanent the territorial arrangements in the Mediterranean region. The nations composing this group would be Italy, Yugoslavia, Greece and Turkey.

It would, of course, be possible to overemphasize the importance of the proposed Eastern Locarno. Even if the pact is concluded—and that is not at all definite—it is not certain that it will result in an era of peace and harmony. The present temper of Europe does not seem propitious for the rekindling of the original "Spirit of Locarno." At best, the new proposal might provide a much-needed breathing spell at a particularly critical time.

From all indications, the alternative to the Eastern Locarno would be a series of military alliances. Such an eventuality would mean an utter collapse of the little that remains of post-war international cooperation. It would mean a Europe more strongly divided into opposing armed camps than it is today. It would mean, unless all historical processes are reversed, another general war.



© Wide World  
WHEN THE FIRST LOCARNO WAS SIGNED  
Statesmen around the council table listen as Aristide Briand, the late French foreign minister, addresses them.

# Citizens' Councils Aid the Community

(Concluded from page 1, column 4)

council invited a representative of each department of the city government to appear and explain anything he cared to with respect to the operation of his department during the lean years. Each was asked particularly to offer specific information regarding services and personnel eliminated or curtailed in the preceding four years, and the effect of such elimination or curtailment on the efficiency of the department.

"These meetings from my viewpoint," wrote H. J. Miller, secretary of the council, "and from the viewpoints of other members of the council who attended, were extraordinarily helpful. We did not secure much coöperation from the City Council, but the coöperation from the other city departments was excellent."

## Alabama's Councils

The most extensive set-up of citizens' councils in the country are those in Alabama. They grew up as a result of the utter breakdown of Alabama's educational system last year. Long before the school term was over, schools were closed to nearly 100,000 children in the state. Faculties, in schools which managed to keep their doors open, were decreased and salaries suffered unmercifully from the sharp edge of the pruning knife.

To aid in the distressing school situation, the Congress of Parents and Teachers, through its Committee on Legislation

but the councils played a prominent role in bringing about such a remarkable reversal of public sentiment.

In order to coördinate the activities of the local councils, a state Citizens' Council on Good Government has been created in Alabama. It is studying every phase of local and state government, including methods of taxation. One thing is certain. When this council decides on changes which it thinks should be made in the governmental structure it will have a wide audience for its opinions. The local councils will see to that.

In dwelling at some length on Alabama's councils, the intention is not to minimize the achievements of those in other states. But the citizens of Alabama, prompted by the unusually serious curtailment of public services in their state, have taken the lead in setting up a state-wide system of councils. Very effective work, however, is being carried on in several hundred communities throughout the country.

In many instances a council's work has been the first attempt to present a clear picture to the public—the men and women who are paying the bills—of how the business of local government is being run. Too often it is a sorry picture of unbusinesslike methods—no budget, no plan, loose control of expenditures. In a Pennsylvania town citizens found that for many years various groups had been borrowing from the town's sinking fund with no security offered and no plan for paying back what was borrowed. City officials were surprised when this was called to their attention. If a citizens' council did little else than to have published in the newspapers at three-month intervals, in a form that every taxpayer could understand, a statement of the income and expenditures of local government, its work would be worthwhile. Government business is the people's business.

For one thing, it is generally agreed among authorities on the subject that there are too many county governments, with overlapping functions and services which are costly to the taxpayer. President Roosevelt and others have pointed out that our present system of county government was needed when only thirty or forty miles could be traveled in a day. The distance between counties then seemed great. But now one can travel through six or eight counties as quickly as he could through one in the days of the formation of our state and local governments.

It is widely recognized, though, that drastic changes must be made in the structure of local government before a large number of communities and states will be able to operate on a sound basis. For one thing, the people have a right to know, and should be enough interested to know, where their money is going and what they are getting for their money.

In addition to examining into strictly financial matters, however, councils are extending their activities into every phase of community life. For instance, the council in Little Rock, Arkansas, is sponsoring seventeen projects, the more important of which are: a sanitary sewage system for Greater Little Rock; development of a municipal airport; consolidation of city and county hospitals under a nonpartisan hospital commission; improvement of the fire department in order to lower insurance rates in the city; organization of a safety council to initiate a safety program; expansion of the Little Rock Junior College into a four-year university; and erection of a community auditorium.

## Serious Problems

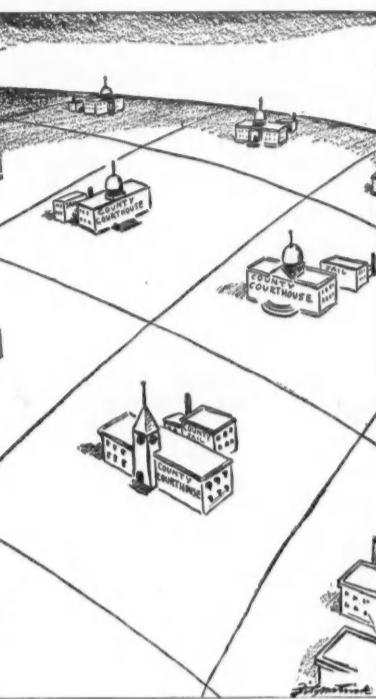
The importance of citizens' councils as a means whereby public-spirited citizens may assume leadership in their communities and may actually get something done in the way of civic improvement cannot be overestimated. For municipal government throughout America faces a crisis. From all directions it is threatened with serious difficulties arising from overlapping taxes, from the inability or refusal of people to pay their taxes, from exhausted credits, and from need of county and municipal reform. Municipal debts outstanding are so heavy that in some communities it takes a third or more of all the money collected in taxes to pay interest on these debts.

As a result of these conditions, essential services have been and are being eliminated. Inadequate public treasuries have resulted in a curtailment of public health, library and recreational services, and in a demoralization of the public school system. It is estimated that 10,000 schools in three-fourths of the states of the Union had sessions of less than six months during the 1933-1934 school term. Two hundred and fifty thousand teachers received less than \$725 a year for their services.

This picture showing the difficulty of local government in financing essential services would be much gloomier were it not for the fact that the federal government has been performing the rescue act. It has bolstered the credit of municipalities by loaning or granting scores of millions of dollars. It has succeeded their unemployed and destitute families. But it is the realization that the federal government cannot forever act the part of a benefactor to local government that has been the motivating force behind the organization of citizens' councils. It is the objective of these councils that all units of local government be made to stand on their own feet, without the aid of the national government.

It is widely recognized, though, that drastic changes must be made in the structure of local government before a large number of communities and states will be able to operate on a sound basis. For one thing, it is generally agreed among authorities on the subject that there are too many county governments, with overlapping functions and services which are costly to the taxpayer. President Roosevelt and others have pointed out that our present system of county government was needed when only thirty or forty miles could be traveled in a day. The distance between counties then seemed great. But now one can travel through six or eight counties as quickly as he could through one in the days of the formation of our state and local governments.

The need of tax reform is another vital problem facing states. In the past, they have relied heavily upon the general property tax for revenue. Real estate could not be hidden and was thus easy to tax.



—Fitzpatrick in St. Louis POST-DISPATCH

ONE REASON FOR HIGH TAXES  
Many Citizens' Councils are working for county consolidation.

Moreover, a century ago a man's wealth was usually invested in land, home and cattle—tangible property, whereas now people invest heavily in intangible property, such as stocks and bonds. Therefore, those who own land, a large number of whom are farmers, bear the brunt of supporting their state government, while owners of intangible property often escape their just share of the burden. To remedy this situation, several states have recently passed income tax laws, a field of taxation formerly reserved to the federal government. This overlapping of income taxes has imposed a heavy burden on citizens of certain states. Thus it is to be seen how difficult it is to find a happy solution to public problems.

## A Real Challenge

The attempt to do so, however, holds forth a real challenge to citizens. Large numbers of them are already working at these problems in coöperation with their fellow townsmen. New councils are being organized every day. Several national organizations, including the National Congress of Parents and Teachers, are urging their members to take the initiative in forming councils in their communities.

The clearing house for local councils is the National Municipal League, with headquarters in New York City. It publishes material concerning these councils, mostly in pamphlet form, containing suggestions as to how to organize a council.



—From SURVEY-GRAFIC

WHERE REGIONAL PLANNING WAS NEEDED  
Because no sound plan has been drawn for the region, this new million-dollar bridge across a river in Tennessee will be covered by water when a large dam is completed a short distance downstream.



—From SURVEY-GRAFIC  
ANOTHER JOB FOR CITIZENS' COUNCILS

and Citizenship, in April and May of 1933 sponsored the organization of county citizens' councils. "Schools must open and be state-supported a full year," declared the call for action sent out to all civic organizations, which were invited to send representatives to local citizens' councils. The following slogan was shouted from the house-tops: "Our schools must operate. Alabama must pay its debts. . . . Plans for the future must make it certain that such a condition as now exists will not be possible again."

It was not long before councils had been set up in forty-three of Alabama's sixty-seven counties. Their first test of strength came in the campaign last June and July for the passage of an income tax amendment. The councils felt that an income tax was essential to enable the state to liquidate its huge debt. A powerful and well-organized opposition, however, sought to defeat the tax, as it had done eight months before by a two-to-one majority. Undaunted, however, the citizens' councils threw their weight behind the governor, who also believed that the adoption of the income tax amendment was essential if the state were ever to meet its obligations.

In hundreds of communities, councils conducted house-to-house canvasses. Their speakers seemed to be everywhere. Posters and handbills were distributed in large quantities. A continuous barrage of news articles was furnished to the press. The result was an overwhelming victory for the income tax amendment. A vigorous campaign by the governor was responsible for a considerable share of the winning votes,



# The National Capital Week by Week



## A Record of the Government in Action



PRESIDENT ROOSEVELT is enjoying the most eventful week of his vacation cruise. The *Houston* has reached Hawaii, and the citizens of that charming American territory have planned an extensive round of entertainment for the presidential party. The crisis in the San Francisco strike has passed without the necessity of Mr. Roosevelt's personal intervention, and he is free from at least the most pressing responsibilities of his office. It is generally understood that the chief executive is thankful that he did not have to take charge of the strike settlement, and that prospects are bright for arbitration by the government's special longshoremen's labor board. It is just such boards that the president hopes will be able to handle labor difficulties in the future, and he feels that his own interference in these disputes, however necessary, merely serves to delay the establishment of workable mediation machinery.

### Radio Is Busy

The ship's radio equipment continued to send and receive many important messages during the last week. For example, a radiogram to the White House announced the president's appointment of three men to the National Mediation Board provided for in the railway labor disputes act. This board will act as a "supreme court" for settling railway labor controversies under the collective bargaining system.

Those appointed are William M. Leiserson, professor of sociology at Antioch College; James W. Carmalt, legal adviser to Joseph B. Eastman, the railroad coordinator; and John Carmody, chief engineer of the FERA. Mr. Leiserson is an economic expert well versed in labor relations; Mr. Carmalt is an authority on railroad law and was a member of the War Industries Board and formerly chief examiner for the Interstate Commerce Commission; Mr. Carmody has served as a mediator for the National Labor Board.

In addition to this board President Roosevelt also named the chairman of the Railroad Retirement Board created by a recent act of Congress to set up a uniform system of pensions. Under the law, railroad workers will contribute two per cent of their wages to the retirement fund, and employers will add twice that amount. The chairman, Murray Latimer of New York City, is an authority on railroad pensions and has written several books on the subject. He has assisted Mr. Eastman in devising the new plan. Other members of this board will be appointed later.

At about the same time this news was being flashed to Washington, the president read a cheerful message from Postmaster General Farley. Mr. Farley told his chief that the budget of the Post Office Department has been balanced, and that postal receipts have exceeded expenditures during the last fiscal year, ending June 30. The surplus, according to an advance audit, amounts to about \$5,000,000. This

is really good news, for it is the first year since 1919 that the department has met expenses. In only seven years out of the last fifty has this happened. The president radioed congratulations to Farley.

### Report on Air Corps

As for new developments originating in Washington rather than on the *Houston*, probably the most important was the report of the War Department's special aviation committee, headed by Newton D. Baker. This group, composed of ten distinguished civilians and generals, recommended an increase of several hundred planes in the authorized force of the army air corps. The present authorization is for 1,800 planes, though the actual num-

tions would be created if the recommendations of the board were carried out. Major James A. Doolittle, noted flyer and former army pilot, was the only member to sign a minority report asking for a separate unified air service.

### Further Debt Talks

Reporters on duty at the State Department found a story when they investigated a recent call made by the Soviet ambassador, Alexander Troyanovsky. Negotiations for a settlement of debts between the United States and the Soviet Union are to be transferred to Washington. The claims on the part of the United States amount to nearly \$600,000,000, including \$187,000 loaned by this government to the

of trade with the Soviets has declined.

Before leaving on a much-needed vacation, Secretary Ickes participated in a meeting with Mayor LaGuardia of New York City to determine the amount and disposition of loans to the city for its public works program. Jesse Jones of the RFC attended the discussion. The result was that New York City will borrow up to \$100,000,000 from the RFC for sound projects to be approved in detail by the public works administration. Since LaGuardia came into office the municipal financial situation has been scrubbed and polished until Ickes and Jones believe it is thoroughly clean.

### Trees vs. Drought

To return to executive orders issued from the cruiser as it neared Hawaii, one of the most interesting steps in recent months is the great reforestation program for the drought area which has just been authorized by Mr. Roosevelt. He has allocated \$15,000,000 from the drought relief funds for the beginning of work on a \$75,000,000 forest shelter belt 100 miles wide and extending more than 1,000 miles from Canada to the Texas Panhandle.

Secretary Wallace has directed the forest service to start the work, which it will take ten years to complete. The project will embrace a total of 20,000,000 acres, of which 1,820,000 will be actually planted to trees. A hundred parallel windbreaks will be constructed—strips of trees with a mile of farm land between each strip. This reforestation is expected to stop soil erosion due to drought and wind, and will help to retain moisture in the area. The belt of trees will run through the Dakotas, Nebraska, Kansas, and well into Texas. Each of the hundred windbreaks will be about seven rods wide, covering fourteen acres out of every square mile.

Only in Russia has a larger reforestation project been attempted. More than ninety per cent of the outlay involved will go to the farmers, for plowing, fencing, planting and caring for the trees. Actual planting will probably begin next fall. Officials of the agricultural department say that the farm land lying between the windbreaks will be very fertile.

Fencing of each windbreak is planned as a protection against damage by cattle. A chain of nurseries will be established this summer to grow the seedlings to be planted. It is estimated that some 3,500,000,000 trees will be raised in the nurseries before the project is completed. Counting a thousand fenceposts to the carload, forestry officials conclude that the railroads will transport almost 50,000 carloads of posts for the fences. Only the land actually planted with trees will be acquired by the government. This will be done either through purchase, lease, or co-operative agreement with landowners. The program is a modification of one devised by the president himself when he was governor of New York and was preparing himself for the 1932 campaign.



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NATIONAL LABOR RELATIONS BOARD IN FIRST SESSION  
Left to right: Edwin S. Smith; Harry A. Millis; Lloyd Garrison, chairman; and Secretary of Labor Perkins, who attended the first meeting of the board.

ber in use is nearly 300 less than that. The Baker board says 2,320 planes should be allowed, and favors a corresponding increase in flying personnel.

Other sections of the report state that a unified air control—namely, the consolidation of army, navy, and other air forces—is not practical. The committee holds that a strengthened, efficiently managed army air corps will be the best solution to the present problem. Our commercial aviation and naval flying are second to none in the world, says the report; but other nations have surpassed us in army aviation, because of superior equipment and personnel.

Critics of the report point out that its findings coincide with the opinions of the general staff, of which there were representatives on the committee. The general staff opposes any move which would remove the air corps from its control, and is seeking further avenues for promotion of officers. Several hundred such promo-

Kerensky government, and some \$400,000,000 in private claims. When the recognition memorandum between the two countries was signed last year, it was established that the debt question should be settled by a later agreement.

Since that time Ambassador William C. Bullitt has been conferring with Maxim Litvinoff about the debts. However, they have been unable to reach any common ground. (The Russians have some claims against the United States also, which further complicates matters.) And because Litvinoff must do a great deal of traveling about Europe, it has been decided to continue the conversations here. Ambassador Troyanovsky will speak for Russia, and Secretary Hull and Assistant Secretary of State R. Walton Moore will represent the United States. They will try to agree on principles, and then work toward a satisfactory adjustment of the debts. Meanwhile the extension of credits to Russia is being held up, and our volume

## Something to Think About

1. Is there a citizens' council in your community? If so, what has it accomplished? If not, how would you go about organizing one?
2. To what extent is the community in which you live in debt?
3. Has your community's educational budget been reduced much in the last four years? If so, how has the reduction affected teachers and the school system in general?
4. What are the five most important problems facing your community? What steps have been taken to solve them?
5. What interest has France in the proposed Eastern Locarno pact? Great Britain? Soviet Russia? Germany? Italy? Poland? The Little Entente? Austria?
6. What is the dilemma confronting the Hitler government as a result of the proposal? In case of German refusal to adhere, what might be some of the consequences? If Germany accepts what will be the likely results?
7. How is the Eastern Locarno tied to the original Locarno compact? Should Germany attempt to alter her eastern boundary by the use of armed force, what policy would the British government be likely to adopt?
8. Do you agree with the *New Republic*'s view of the Eastern Locarno? State your reasons.

9. What were the principal recommendations of the Baker committee on aviation, and what criticism of the report has been made?
10. State some of the difficulties that are likely to deter the administration in its attempts to put into operation the new reciprocal tariff policy.

11. What indications are there that Great Britain has accepted the French thesis of "security before disarmament"?

**REFERENCES:** (a) *How Good Is Your Town?* Published by Wisconsin Conference of Social Work, Madison, Wisconsin. (b) *What Social Workers Should Know About Their Communities*. Published by Russell Sage Foundation, New York City. (c) *Know Your Town: Ten Sets of Twenty Questions*. Published by National League of Women Voters. (d) *New Peace Pacts in Europe*. *The New Republic*, July 25, 1934, pp. 277-278. (e) *Diplomacy in Eastern Europe*. *Current History*, August, 1934, pp. 624-625.

**PRONUNCIATIONS:** Getulio Vargas (hay-too'lyo var'gas), Mendieta (men-dee-a'-ta—first *a* as in ate), Quiché (ke-chay—*e* as in eke), Leon de Gonzales (lay-on' day gon-tha-lays—*o* as in over), Troyanovsky (troy-an-off'skee—second *o* as in over), Vicente (vee-thain'tay), Litvinoff (leet-veen'off—*o* as in over), Stresemann (stray'se-mahn), Briand (bree'on—*n* scarcely sounded, nasal), Chautemps (show-ton—*n* scarcely sounded, nasal), Tardieu (tahr-dyu'—*u* as in burn), Thyssen (tee'sen).

